



EXECUTIVE CHAMBERS

HONOLULU

DAVID Y. IGE
GOVERNOR

GOV. MSG. NO. 15

April 1, 2022

The Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

✓ The Honorable Scott K. Saiki
Speaker of the House of Representatives
Thirty-First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear Senate President Kouchi and Speaker Saiki:

The United Public Workers (UPW) and the employer have reached an agreement concerning collective bargaining (CB) for Unit 10 (Institutional, Health, and Correctional Workers). Notification of ratification of the CB agreement was issued on March 31, 2022. In accordance with Section 89-10(b), cost items must be submitted to the Legislature for appropriation. The following summary of the included and excluded requirements of the settlement for the current fiscal biennium is being transmitted to the Legislature for authorization:

	<u>FY 22</u>	<u>FY 23</u>	<u>Biennium</u>
<u>Salaries & Fringe</u>			
General	\$2,002,648	\$3,932,102	\$5,934,750
Special	752,987	1,327,128	2,080,115
Federal	24,472	33,641	58,113
Other Federal	<u>10,409</u>	<u>12,757</u>	<u>23,166</u>
Total	\$2,790,516	\$5,305,628	\$8,096,144

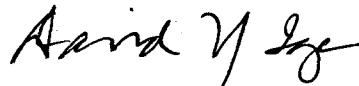
An agreement with UPW regarding Employer-Union Trust Fund contribution amounts has also been reached. This was previously funded during the 2021 Legislative Session.

Estimated costs for the third and fourth years of the agreement are also provided for your reference:

	<u>FY 24</u>	<u>FY 25</u>	<u>Biennium</u>
<u>Salaries & Fringe</u>			
General	\$12,308,462	\$20,300,890	\$32,609,352
Special	3,951,250	6,413,792	10,365,042
Federal	105,526	174,368	279,894
Other Federal	<u>44,174</u>	<u>75,139</u>	<u>119,313</u>
Total	\$16,409,412	\$26,964,189	\$43,373,601

Attached are proposed drafts of House Bill No. 2098, H.D. 1, Proposed S.D. 2, and Senate Bill No. 2791, S.D. 1, Proposed H.D. 2, to fund the award.

With warmest regards,



David Y. Ige
Governor, State of Hawai'i

Attachments

c: Honorable Donovan M. Dela Cruz
Honorable Sylvia Luke

A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I

SECTION 1. There are appropriated from the sources of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 all collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining unit (10):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$1,874,493	\$3,723,372
Federal funds	\$24,472	\$33,641
Other federal funds	\$10,409	\$12,757

Of the above amounts, the following amounts are for the department of education:

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$30,000	\$39,096
Federal funds	\$1,077	\$4,197

SECTION 2. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state

1 departments for expenditure in the respective fiscal year for
 2 the purposes of this part.

3 PART II

4 SECTION 3. There is appropriated from the source of
 5 funding indicated below to administration (JUD 601) the
 6 following sums or so much thereof as may be necessary to fund
 7 for fiscal biennium 2021-2023 all collective bargaining cost
 8 items in the agreement negotiated with the exclusive
 9 representative of collective bargaining unit (10):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
11 General funds	\$49,000	\$85,573

12 SECTION 4. Funds appropriated by this part shall be
 13 expended by the chief justice in the respective fiscal year for
 14 the purposes of this part.

15 PART III

16 SECTION 5. There is appropriated from the source of
 17 funding indicated below to collective bargaining statewide
 18 (BUF 102) the following sums or so much thereof as may be
 19 necessary to fund for fiscal biennium 2021-2023 the salary
 20 increases and other cost adjustments authorized by chapter 89C,
 21 Hawaii Revised Statutes, for state officers and employees who
 22 are excluded from collective bargaining and belong to the same

compensation plans as those officers and employees within
bargaining unit (10):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$49,000	\$85,573

SECTION 6. Funds appropriated by this part shall be
allotted by the director of finance to the appropriate state
departments for expenditure in the respective fiscal year for
the purposes of this part.

PART IV

SECTION 7. There is appropriated from the source of
funding indicated below to administration (JUD 601) the
following sums or so much thereof as may be necessary to fund
for fiscal biennium 2021-2023 the salary increases and other
cost adjustments authorized by chapter 89C, Hawaii Revised
Statutes, for state officers and employees who are excluded from
collective bargaining and belong to the same compensation plans
as those officers and employees within bargaining unit (10):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$2,000	\$3,288

SECTION 8. Funds appropriated by this part shall be
expended by the chief justice in the respective fiscal year for
the purposes of this part.

PART V

SECTION 9. There is appropriated from the source of funding indicated below to Hawaii health systems corporation - corporate office (HTH 210) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 the collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining unit (10) who is assigned to the Hawaii health systems corporation:

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
Special funds	\$738,505	\$1,311,719

SECTION 10. Funds appropriated by this part shall be allotted by the director of finance to the Hawaii health systems corporation for expenditure in the respective fiscal year for the purposes of this part.

PART VI

SECTION 11. There is appropriated from the source of funding indicated below to Hawaii health systems corporation - corporate office (HTH 210) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 the salary increases and other adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state

officers and employees who are excluded from collective bargaining, assigned to the Hawaii health systems corporation, and belong to the same compensation plans as those officers and employees within bargaining unit (10):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
Special funds	\$14,482	\$15,409

SECTION 12. Funds appropriated by this part shall be allotted by the director of finance to the Hawaii health systems corporation for expenditure in the respective fiscal year for the purposes of this part.

PART VII

SECTION 13. Salary increases and cost adjustments provided in this Act for any officer or employee whose compensation is paid, in whole or in part, from federal, special, or other funds shall be paid wholly or proportionately, as the case may be, from the respective funds.

SECTION 14. The fiscal year 2021-2022 appropriations or authorizations under this Act shall not lapse until the end of fiscal biennium 2021-2023; provided that funds appropriated or authorized by this Act that are not expended or encumbered by June 30, 2023, shall lapse as of that date.

SECTION 15. This Act shall take effect upon its approval.

Report Title:

Public Employment Cost Items

Description:

Provides appropriations for collective bargaining cost items for the members of Unit (10) and their excluded counterparts, including the cost of salary adjustments negotiated between the State and the bargaining unit representative for fiscal biennium 2021-2023.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

A BILL FOR AN ACT

RELATING TO PUBLIC EMPLOYMENT COST ITEMS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

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	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$1,874,493	\$3,723,372
Federal funds	\$24,472	\$33,641
Other federal funds	\$10,409	\$12,757

Of the above amounts, the following amounts are for the department of education:

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$30,000	\$39,096
Federal funds	\$1,077	\$4,197

SECTION 2. Funds appropriated by this part shall be allotted by the director of finance to the appropriate state

departments for expenditure in the respective fiscal year for the purposes of this part.

PART II

SECTION 3. There is appropriated from the source of funding indicated below to administration (JUD 601) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 all collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining unit (10):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
General funds	\$49,000	\$85,573

SECTION 4. Funds appropriated by this part shall be expended by the chief justice in the respective fiscal year for the purposes of this part.

PART III

SECTION 5. There is appropriated from the source of funding indicated below to collective bargaining statewide (BUF 102) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 the salary increases and other cost adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state officers and employees who are excluded from collective bargaining and belong to the same

1 compensation plans as those officers and employees within
 2 bargaining unit (10):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
4 General funds	\$49,000	\$85,573

5 SECTION 6. Funds appropriated by this part shall be
 6 allotted by the director of finance to the appropriate state
 7 departments for expenditure in the respective fiscal year for
 8 the purposes of this part.

9 PART IV

10 SECTION 7. There is appropriated from the source of
 11 funding indicated below to administration (JUD 601) the
 12 following sums or so much thereof as may be necessary to fund
 13 for fiscal biennium 2021-2023 the salary increases and other
 14 cost adjustments authorized by chapter 89C, Hawaii Revised
 15 Statutes, for state officers and employees who are excluded from
 16 collective bargaining and belong to the same compensation plans
 17 as those officers and employees within bargaining unit (10):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
19 General funds	\$2,000	\$3,288

20 SECTION 8. Funds appropriated by this part shall be
 21 expended by the chief justice in the respective fiscal year for
 22 the purposes of this part.

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SECTION 9. There is appropriated from the source of funding indicated below to Hawaii health systems corporation - corporate office (HTH 210) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 the collective bargaining cost items in the agreement negotiated with the exclusive representative of collective bargaining unit (10) who is assigned to the Hawaii health systems corporation:

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
Special funds	\$738,505	\$1,311,719

SECTION 10. Funds appropriated by this part shall be allotted by the director of finance to the Hawaii health systems corporation for expenditure in the respective fiscal year for the purposes of this part.

PART VI

SECTION 11. There is appropriated from the source of funding indicated below to Hawaii health systems corporation - corporate office (HTH 210) the following sums or so much thereof as may be necessary to fund for fiscal biennium 2021-2023 the salary increases and other adjustments authorized by chapter 89C, Hawaii Revised Statutes, for state

1 officers and employees who are excluded from collective
 2 bargaining, assigned to the Hawaii health systems corporation,
 3 and belong to the same compensation plans as those officers and
 4 employees within bargaining unit (10):

	<u>FY 2021-2022</u>	<u>FY 2022-2023</u>
6 Special funds	\$14,482	\$15,409

7 SECTION 12. Funds appropriated by this part shall be
 8 allotted by the director of finance to the Hawaii health systems
 9 corporation for expenditure in the respective fiscal year for
 10 the purposes of this part.

11 PART VII

12 SECTION 13. Salary increases and cost adjustments provided
 13 in this Act for any officer or employee whose compensation is
 14 paid, in whole or in part, from federal, special, or other funds
 15 shall be paid wholly or proportionately, as the case may be,
 16 from the respective funds.

17 SECTION 14. The fiscal year 2021-2022 appropriations or
 18 authorizations under this Act shall not lapse until the end of
 19 fiscal biennium 2021-2023; provided that funds appropriated or
 20 authorized by this Act that are not expended or encumbered by
 21 June 30, 2023, shall lapse as of that date.

22 SECTION 15. This Act shall take effect upon its approval.

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